United Nations

Press Release

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MONDAY HIGHLIGHTS

- Secretary-General proposes establishment of $1 billion United Nations Peace Endowment Fund to help finance United Nations peace-keeping operations -- among other measures to save Organization from "financial disaster".

- Secretary-General says deployment of peace-keeping operation in Yugoslavia can only take place if lasting and effective cease-fire is guaranteed by Yugoslav parties.

- General Assembly calls on Member States to promote zone of peace and cooperation in South Atlantic.

- Economic, Social and Cultural Rights Committee opens three-week session at Geneva.

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In an effort to solve the financial crisis of the United Nations, Secretary-General Javier Pérez de Cuéllar has proposed to ask Governments, the private sector and individuals to set up a $1 billion United Nations Peace Endowment Fund to help finance United Nations peace-keeping operations.

In a report to the General Assembly, dated 19 November, the Secretary-General proposed that the Fund be created by a combination of assessed and voluntary contributions. Once the Funds reaches its target level, Mr. Pérez de Cuéllar said, the proceeds from the investment of its principal would be used to finance the initial costs of authorized peace-keeping operations, as well as other conflict resolution measures and related activities.

In his report, the Secretary-General also asked for permission to charge interest, at commercial rates, to those Member States who have not paid their assessed contributions within 60 days after insurance of a letter of assessment. Interest charges would apply to all assessments, whether for the regular budget, the Working Capital Fund or peace-keeping operations as well as all outstanding contributions.

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In addition, Mr. Pérez de Cuéllar recommended that the level of the United Nations Working Capital Fund be raised to $250 million, and that a Peace-Keeping Reserve Fund at a level of $50 million be established to provide initial financing for peace-keeping operations, pending receipt of assessed contributions. A second humanitarian Fund at a level of $50 million would be set up for operations pending receipt of pledged contributions in emergency, humanitarian and disaster relief situations. The Secretary-General also reiterated a request for the Assembly's authorization to borrow commercially when all other sources of internal borrowing have been exhausted.

Mr. Pérez de Cuéllar stated in his report that it is "a source of profound concern" to him that the same membership which deems it appropriate to entrust the United Nations Secretariat with unprecedented new responsibilities has not taken the necessary action to ensure the minimum financial resources required to carry out those responsibilities. He said that Member States must take prompt and decisive action to resolve what he calls "this perennial, indeed, endemic problem". "Failure to act, promptly and decisively, could lead to financial disaster", the Secretary-General said.

At 31 October, unpaid assessed contributions to the United Nations regular budget totalled $988.1 million, and $463.5 million for the seven peace-keeping operations, not including the projected requirements for the United Nations Advance Mission in Cambodia (UNAMIC), nor the future operations in Cambodia.

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The Secretary-General said yesterday in Geneva that the dispatch of a United Nations peace-keeping force to Yugoslavia could only take place if the parties agreed to a lasting and effective cease-fire. He emphasized that a peace-keeping operation needed the authorization by the Security Council, the willingness of Member States to contribute contingents, as well as agreement on financing of such an operation.

Mr. Pérez de Cuéllar made the statement following a meeting on Sunday with Italian Foreign Minister, Gianni de Michelis, and his Personal Envoy, Mr. Cyrus Vance.

The day before, on 23 November, an agreement on an immediate cease-fire was reached at a United Nations meeting in Geneva between the three Yugoslav parties. Convened by Mr. Vance, the meeting was attended by Serbian President Milosevic, Croatian President Tudjman and General Kadijevic, Secretary of State for National Defence of the Federal Army, as well as Lord Carrington, Chairman of the Hague Conference on Yugoslavia, and Under-Secretary-General Marrack Goulding.

The Secretary-General informed the President of the Security Council yesterday, in a letter, of the results of the meeting, calling it "constructive". He stated that each of the Yugoslav parties had welcomed the establishment of a United Nations peace-keeping operation "as soon as possible". It was agreed, he said, that further defining of the areas where

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such a force should be deployed was needed in order to enable Mr. Vance to make his recommendations.

Mr. Pérez de Cuéllar said he had asked Mr. Vance to continue this "important mission", and -- together with Under-Secretary-General Goulding -- to carry forward the work of setting up a United Nations peace-keeping operation in Yugoslavia.

The Security Council met in informal consultations this afternoon to discuss the Secretary-General's letter.

Speaking to correspondents before entering consultations, United Kingdom's Ambassador Sir David Hannay said there was a possibility of a formal meeting this week in order to "give strength to Mr. Vance's hand" as an interim measure. The most important thing now, Mr. Hannay said, was that the Yugoslav parties fulfil the conditions spelled out in Saturday's Geneva Agreement, namely to stand by the cease-fire..

In a related development, the Council of Ministers of the Western European Union (WEU) has expressed its firm support for the efforts of the three European Security Council Member States in favour of a United Nations Security Council resolution concerning a peace-keeping operation in Yugoslavia.

According to a Declaration adopted on 18 November, the WEU Ministers said their countries were ready to give practical support to such an operation as soon as the relevant decisions had been taken.

The Declaration was transmitted in a letter, dated 21 November, to the Council President from the Permanent Representative of Germany, Detlev graf zu Rantzau.

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The General Assembly this morning called upon all States to promote the establishment of the zone of peace and cooperation in the South Atlantic, as called for by the Assembly in 1986.

By a recorded vote of 141 in favour to 1 against (United States), and no abstentions, the Assembly affirmed its determination to preserve the freedom of navigation in the high seas of the region and all other activities protected by international law. All States were urged to abstain from disposing of hazardous, toxic and nuclear wastes within the region. They were also urged not to engage in fishing methods that could have an adverse impact on the management of marine resources in the zone.

Addressing the Assembly, the representative of Brazil, Ronaldo Mota Sardenberg, said his country perceived the zone of peace and cooperation of the South Atlantic as an effective tool to foster development. The common market countries in the southern cone of South America, known as MERCOSUR,

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comprise a population of 180 million. The Treaty establishing the common market would become effective by 31 December 1994 and its implementation would have a favourable and far-reaching impact throughout the zone.

In a separate development, it was announced today that the voting for the new Secretary-General has been set to Tuesday morning, 3 December.

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The Committee on Economic, Social and Cultural Rights today began its three-week session devoted mostly to examine how States parties to the International Covenant on Economic, Social and Cultural Rights live up to their obligations under that Treaty.

The Committee carries out this function through the study of reports from the States parties detailing the measures taken, progress made and difficulties encountered in implementing the Covenant.

During consideration of such reports, representatives of specialized agencies may make statements on the progress accomplished in the States parties concerned in implementing the provisions of the Covenant falling within the scope of their activities. A number of these agencies, such as the International Labour Organization (ILO), the Food and Agriculture Organization (FAO), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the World Health Organization (WHO) have been invited to send representatives to the Committee's meetings.

The Committee will also discuss preparatory activities relating to the World Conference on Human Rights, to be held in Berlin in 1993.

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